

**MICHIGAN VEHICLE CODE (EXCERPT)**  
**Act 300 of 1949**

**257.233a Transfer of title or interest in vehicle; disclosure of odometer mileage.**

Sec. 233a. (1) When the owner of a registered motor vehicle transfers his or her title or interest in that vehicle, the transferor shall present to the transferee before delivery of the vehicle, written disclosure of odometer mileage by means of the certificate of title or a written statement signed by the transferor including the transferor's printed name, containing all of the following:

- (a) The odometer reading at the time of transfer not to include the tenths of a mile or kilometer.
- (b) The date of transfer.
- (c) The transferor's name and current address.
- (d) The transferee's name and current address.
- (e) The identity of the vehicle, including its make, model, body type, year, and vehicle identification number.
- (f) A reference to this section and comparable federal law, and a statement that failing to complete the title or form or providing false information may result in civil liability and civil or criminal penalties being imposed on the transferor.
- (g) One of the following:
  - (i) A statement by the transferor certifying that to the best of his or her knowledge the odometer reading reflects the actual mileage of the vehicle.
  - (ii) If the transferor knows that the odometer reading reflects the amount of mileage in excess of the designed mechanical odometer limit, a statement to that effect.
  - (iii) If the transferor knows that the odometer reading differs from the mileage and the difference is greater than that caused by odometer calibration error, a statement that the odometer reading does not reflect the actual mileage and should not be relied upon. This notice shall include a warning notice to alert the transferee that a discrepancy exists between the odometer and the actual mileage.
- (h) Space for the signature and printed name of the transferee, and the date of presentation to the transferee.

(2) A certificate of title and a dealer reassignment form shall contain a place for the information required by subsection (1)(a) to (h). If the vehicle is not titled or the title does not contain a space for the required information, a written statement shall be provided as a separate document.

(3) A dealer selling or exchanging vehicles required to be titled under this act shall present the certificate of title or written statement and any reassigned titles in his or her possession to the transferee. The transferee or the transferee's agent shall inspect, print his or her name, sign, and date the certificate or statement and return it to the transferor for submission to the secretary of state. If neither the transferee nor transferor is a dealer licensed under this act, completing the odometer information on the certificate of title shall be considered to comply with subsection (1). A person shall not sign an odometer disclosure statement as both the transferor and transferee in the same transaction.

(4) A new or used vehicle dealer shall obtain from the transferor a completed odometer mileage statement which meets the requirements of subsection (1) with each motor vehicle acquired by the dealer. The dealer shall not accept nor provide an odometer mileage statement or a title which contains a place for odometer information which has not been completely filled in by the transferor.

- (5) The odometer information described in subsection (1) shall not be required for any of the following:
- (a) Vehicles having a gross vehicle weight rating of more than 16,000 pounds.
  - (b) A vehicle that is not self-propelled.
  - (c) A vehicle that is 10 years old, or older.
  - (d) A new vehicle transferred from a manufacturer to a dealer.
  - (e) A vehicle sold directly by the manufacturer to an agency of the United States in conformity with contractual specifications.
  - (f) A low-speed vehicle.

(6) A person shall not alter, set back, or disconnect an odometer; cause or allow an odometer to be altered, set back, or disconnected; or advertise for sale, sell, use, install, or cause or allow to be installed a device which causes an odometer to register other than the actual mileage driven. This subsection does not prohibit the service, repair, or replacement of an odometer if the mileage indicated on the odometer remains the same as before the service, repair, or replacement. If the odometer is incapable of registering the same mileage as before the service, repair, or replacement, the odometer shall be adjusted to read zero and a notice in writing shall be attached to the left door frame of the vehicle by the owner or his or her agent specifying the mileage prior to service, repair, or replacement of the odometer and the date on which it was serviced, repaired, or

replaced. A person shall not remove, deface, or alter any notice affixed to a motor vehicle pursuant to this subsection.

(7) A person who violates subsection (6) is guilty of a felony.

(8) Before executing a transfer of ownership document, a lessor of a leased vehicle shall notify the lessee in writing that ownership of the vehicle is being transferred and that the lessee is required to provide a written statement to the lessor regarding the mileage of the vehicle. This notice shall inform the lessee of the penalties for failure to comply with the requirement.

(9) Upon receiving notification from the lessor of a leased vehicle that ownership of the vehicle is to be transferred, the lessee shall furnish to the lessor a written statement regarding the mileage of the vehicle. This statement shall be signed by the lessee and shall contain all of the following:

(a) The printed name of the person making the statement.

(b) The current odometer reading, not including tenths of miles.

(c) The date of the statement.

(d) The lessee's name and current address.

(e) The lessor's name and current address.

(f) The identity of the vehicle, including its make, model, year, body type, and vehicle identification number.

(g) The date that the lessor notified the lessee of the requirements of this subsection.

(h) The date that the completed disclosure statement was received by lessor.

(i) The signature of the lessor.

(j) One of the following:

(i) A statement by the lessee certifying that to the best of his or her knowledge the odometer reading reflects the actual mileage of the vehicle.

(ii) If the lessee knows that the odometer reading reflects the amount of mileage in excess of the designed mechanical odometer limit, a statement to that effect.

(iii) If the lessee knows that the odometer reading differs from the mileage and that the difference is greater than that caused by odometer calibration error, a statement that the odometer reading is not the actual mileage and should not be relied upon.

(10) If the lessor transfers a leased vehicle without obtaining possession of the vehicle, the lessor may indicate on the certificate of title the mileage disclosed by the lessee under subsection (9), unless the lessor has reason to believe that the mileage disclosed by the lessee does not reflect the actual mileage of the vehicle.

(11) A dealer who is required by this section to execute an odometer mileage statement shall retain for 5 years a photostatic, carbon, or other facsimile copy of each odometer mileage statement the dealer issues or receives. The dealer shall retain the odometer mileage statements at his or her primary place of business in an order that is appropriate to business requirements and that permits systematic retrieval.

(12) A lessor shall retain for 5 years following the date of transfer of ownership of each leased vehicle, the odometer mileage statement received from the lessee. The lessor shall retain the odometer mileage statements at his or her primary place of business in an order that is appropriate to business requirements and that permits systematic retrieval.

(13) An auction dealer or vehicle salvage pool operator shall establish and retain at his or her primary place of business in an order that is appropriate to business requirements and that permits systematic retrieval, for 5 years following the date of sale of each motor vehicle, the following records:

(a) The name and the most recent owner, other than the auction dealer or salvage pool operator.

(b) The name of the buyer.

(c) The vehicle identification number.

(d) The odometer reading, not including the tenths of a mile, on the date the auction dealer or salvage pool operator took possession of the motor vehicle.

(14) A violation of subsection (1) or (6) by any dealer licensed under this act is prima facie evidence of a fraudulent act as provided in section 249.

(15) A person who, with intent to defraud, violates any requirement under subsection (1) or (6), or a dealer who fails to retain for 5 years each odometer mileage statement the dealer receives and each odometer mileage statement furnished by the dealer upon the sale of a vehicle, is liable in an amount equal to 3 times the amount of actual damages sustained or \$1,500.00 whichever is greater, and in the case of a successful recovery of damages, the costs of the action together with reasonable attorney's fees.

**History:** Add. 1974, Act 367, Eff. Apr. 1, 1975;—Am. 1988, Act 470, Eff. Apr. 1, 1989;—Am. 2000, Act 82, Eff. July 1, 2000.

**Compiler's note:** In subsection (1)(g)(iii), the term "transfer" evidently should read "transferor."